

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1531 - SB 2002

March 16, 2009

SUMMARY OF BILL: Prohibits bonuses or other compensation tied to performance standards from being a part of employment negotiations between local boards of education and a recognized professional employees' organization. Defines "performance standards" as performance objectives related to the school system's goals.

ESTIMATED FISCAL IMPACT:

Decrease Local Expenditures – Not Significant

Assumptions:

- Local education agencies (LEAs) with these bonuses written into their negotiated contracts may end them in the absence of a mandate to give them. However, barring negotiations on this type of compensation does not prohibit LEAs from awarding bonuses or other compensation that are tied to performance standards. A local school board may vote to give an across-the-board pay raise notwithstanding the negotiated contracts or give targeted pay raises to individuals or groups.
- Any decrease in local expenditures is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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